

Italeaf: The Bondholders' Meeting relating to the "TerniEnergia Euro 25,000,000.00 notes due 2019 - ISIN code IT0004991573" has resolved upon the bondholders' participation to the Plan and upon the amendments to the Bond Regulation

TerniEnergia, a smart company listed on the Italian Stock Exchange's electronic share market (MTA) and part of the **Italeaf** Group, announces that the meeting of the bondholders (the "Bondholders' Meeting") of the "*TerniEnergia Euro 25,000,000.00 notes due 2019 - ISIN code IT0004991573*" bond (the "Bond"), was held before the Chairman Stefano Neri and the Notary Adele Cesàro in Milan at the first convening, today, 30 July 2019 at 11,00 a.m., with the participation of the bondholders representing 62,80 % of the Bond. The Bondholders' Meeting resolved, with the majorities requested by the law, upon the participation of the bondholders to the Plan and the adoption of a new bond regulation (the "Bond Regulation"), which includes the amendments necessary to make the Bond Regulation consistent with the provisions of the Plan, in order for TerniEnergia S.p.A. (the "Company" or "TerniEnergia") to execute an agreement in accordance with article 67, paragraph 3, letter d), of Italian Royal Decree number 267 of 16 March 1942 (the "Plan").

In particular, the Bond Regulation (as amended), includes, *inter alia*, the following:

- i. the postponement of the final maturity date of the Bond from 30 September 2019 to 31 December 2027, in order to allow the Company to repay in full the Bond, as this new timeline is compliant with the cash flows generated by the disposal of the assets (directly or indirectly owned by TerniEnergia) provided under the Plan and by the operational management (*gestione corrente*) of the Company (after the merger with Softeco);
- ii. the mandatory prepayment of the Bond (in compliance with the *par condicio creditorum* principle with the other financial creditors and in according to the priority of payments provided under the Plan) utilizing the proceeds deriving from the disposal of the aforementioned assets;
- iii. the amendment to the interest calculation period, specifying that the new interest calculation period will be on a semi-annual basis and that the first interest calculation period has started on 6 February 2018 and will end on 31 December 2019;
- iv. the amendment to the actual fixed interest rate to a floating rate equal to 6 Months Euribor plus 150 basis points (starting from 1 July 2018). Moreover, in compliance with the provisions of the Plan, the interest payment dates shall occur on a semi-annual basis falling on 30 June and 31 December of each year, provided that, the first interest payment date will be on 31 December 2019;
- v. the introduction of an amortization plan for the redemption of the Notes according to which (i) the first payment date will fall on 31 December 2019; (ii) the second payment date will fall on 31 December 2020, without prejudice to the fact that on 31 December 2020 the Bond will have to be reimbursed by the Issuer for a percentage equal to 35,6% of the total outstanding amount of the Bond. It is understood that, starting from 30 June 2021 until the final maturity date of the Bond (as postponed), the payment dates will be on a semi-annual basis (on 30 June and 31 December of each year). Moreover, considering that the amount to be paid on the first and second payment dates (i.e. 31 December 2019 and 31 December 2020) is linked to the revenues deriving from the disposal of the assets (directly or indirectly owned by TerniEnergia) and the timing of such disposal

can't be predicted with certainty, in order to avoid the Plan to be too restrictive, the Bond Regulation will provide that if the Issuer will not comply with its payment obligations scheduled on 31 December 2019, such payments will be postponed on 31 December 2020 and will be equal to the difference between (i) the amount due on 31 December 2019; and (ii) the amount which will be actually paid on 31 December 2019. Therefore, on the basis of the above, (i) the amount due on 31 December 2020 will be equal to the sum of (a) the amount due on 31 December 2020 and (b) the difference between (x) the amount due on 31 December 2019 (capital and interest); and (y) the amount which has been actually corresponded on 31 December 2019, and (ii) the failure of the Issuer to pay the amounts due on 31 December 2019 will not be an event of default;

- vi. the introduction of certain mechanisms that may grant an acceleration of the repayment of the Bond in the case of overperformance by the Company compared to the results provided under the Plan (i.e. mandatory prepayment; step-up; excess cash).

In addition to the above the Bondholders' Meeting has approved the granting of a waiver for any breach of covenants which have occurred or which could be qualified as event of default and / or any other event or other conditions (i.e. the failure by the Issuer to comply with (i) its financial covenants, (ii) its payment obligation (other than those payment obligations arising from the Bond), (iii) its obligations under the Bond Regulation) which may entitle the bondholders to request the acceleration and therefore the early redemption of the Bond. It is understood that non-effectiveness of the financial agreement to be executed for the purposes of implementing the Plan by the Company, on the one hand, and its financial creditors, on the other hand, by no later than 30 September 2019 would automatically imply the non-effectiveness of the participation by the bondholders to the Plan and of the amendments to the Bond Regulation.

For detailed amendments, please refer to the new version of the Bond Regulation which will be published within the term indicated in the minute of the Bondholders' Meeting.

The approval of the agenda by the Bondholders' Meeting represents a step of great importance for the process of industrial turnaround undertaken by TerniEnergia (and the other legal entities belonging to the relevant group).

The minute of the Bondholders' Meeting and the summary voting report (*rendiconto sintetico delle votazioni*) will be available to the public within the terms provided under the applicable laws.

In relation to the drafting of the Plan, the Company is assisted by KPMG as financial advisor. DLA Piper Studio Legale Tributario assists TerniEnergia as legal advisor. Marzio Molinari of the law firm Russo De Rosa Associati is the representative of the bondholders.

TERNIENERGIA (TER. MI), established in September 2005 and part of the Italeaf Group, is the first Italian global technological enabler, committed to bringing energy solutions and efficient recovery of integrated and sustainable resources to the world. Organized into two strategic business lines (Assets and Smart solutions and services), with about 300 employees and a geographical presence worldwide, with operative and commercial offices, TerniEnergia develops innovative solutions, products and services based on digital and industrial technologies for the energy supply chain, grids, smart mobility, industrial automation and the recovery of marginal resources. TerniEnergia, also through its subsidiaries (Softeco Sismat, Greenled Industry, GreenAsm, GreenAsm, Purify, Wisave, Ant Energy), pursues the objectives of increasing energy production from renewable sources, saving energy and reducing emissions and actively participates in the energy revolution of distributed power generation and smart grids, with innovative digital solutions. TerniEnergia is the ideal partner for large utilities, distribution operators and network operators, energy producers, public administrations, industrial customers and investors who intend to realize large projects for the production of renewable energy, modern systems and plants with high energy efficiency, solutions for the management and maintenance of infrastructure and electrical installations. TerniEnergia has completed its transformation from a leader in the international photovoltaic market into a smart energy company and technological enabler for the sustainable use of resources through a complete commercial offer of solutions, the development and supply of digital technologies and the creation of "intelligent" services and solutions aimed at public and private customers in emerging sectors.

TerniEnergia is listed on the MTA of Borsa Italiana.

This press release is also available on the Company website: www.italeaf.com

Italeaf SpA is obliged to make public this information pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 14.00 CET on 30 July 2019.

Certified Adviser

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Italeaf SpA, established in December 2010, is a holding company and a business accelerator for companies and startups in the areas of innovation and cleantech. Italeaf operates as a company builder, promoting the creation and development of industrial startups in the fields of cleantech, smart energy and technological innovation. Italeaf has headquarters and plants in Italy at Nera Montoro (Narni), Terni, and at Milano.

The company controls the smart energy company TerniEnergia, listed on the MTA of the Italian Stock Exchange, Skyrobotic, active in the business development and manufacture of civil and commercial drones in mini and micro classes for the professional market, Numanova, operating in the field of innovative metallurgy and additive manufacturing, and Italeaf RE, a real estate company. Italeaf holds, among others, a minority stake in Vitruviano LAB, a research center active in the R&D sector for special materials, green chemistry, digital transformation and cleantech.